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May 9, 2007

VIA HAND DELIVERY

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Joint Application of Timothy P. Oliver and Harold Sigmon for Approval of the Sale and Transfer of Stock, Assets and Operating Authority of Sigfield Water Company, Incorporated

Docket No. 2007-107-W

Dear Mr. Terreni:

The Office of Regulatory Staff has reviewed the above referenced Joint Application and is hereby notifying the Public Service Commission of a concern regarding this application.

On May 7, 2007 employees of the ORS conducted a site visit of the Sigfield Water Company in Clarendon County. This system possesses the proper drinking water permit from the South Carolina Department of Health and Environmental Control to provide water service.

The ORS' concern with this application relates to the performance bond which is required to be posted by the owner of a system. Mr. Oliver currently has performance bonds on file with the Commission for water and sewer operations which use a personal financial statement as surety for the following systems:

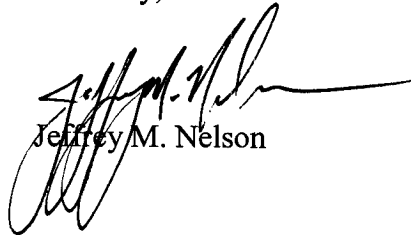
1. Wyboo Water Department, Inc in the amount of \$100,000 for water service;
2. Goat Island Water & Sewer Company, Inc. in the amount of \$100,000 for water service and \$100,000 for sewer service;
3. E & R Partnership in the amount of \$100,000 for water service.

Based on the information provided by Mr. Oliver to the ORS on his latest personal financial statement, he lacks sufficient net worth to bond Sigfield Water System, Inc. in addition to the three systems which he currently owns. To date, Mr. Oliver has not provided information to demonstrate how he will post a performance bond for another system. As the performance bond is required by statute, ORS takes the position that a performance bond in the statutorily required amount must be available at the time ownership of the system is transferred.

The ORS has contacted Mr. Oliver's attorney in this matter, Mr. Richard Whitt, and he has authorized this office to represent that he has no objection to this matter being carried over by the Commission while the Applicant and the ORS attempt to resolve this issue.

Please let me know if you have any questions regarding this matter.

Sincerely,



Jeffrey M. Nelson

JMN/pjm
Enclosures

cc: Richard L. Whitt, Esquire
William F. Austin, Esquire